GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:543
ANSWERED ON:20.11.2007
AUCTION PRICE OF TEA
Sarma Dr. Arun Kumar

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of factors influencing lowering the auction price of tea when market rate of tea remained at the same level;

(b) the action taken by the Government to control the auction market to ensure reasonable price of tea and green leaf; and

(c) the steps taken/proposed to be taken by the Government to ensure improvement of Guwahati Tea Auction Market?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

(a) : The prices of commodities including tea are primarily determined by the market forces of demand, supply, quality of the produce and prices at international auction centres.

(b) : The primary marketing of tea is conducted mainly through public auction centers licensed by the Tea Board, under the provisions of Tea (Marketing) Control Order(TMCO), amended from time to time. Tea is also sold privately by primary producers. In order to improve efficiency of the auction system, Tea Board has already issued directives, under the provisions of TMCO, to the public tea auction organizers for implementing auction rules. Under the provisions of TMCO, a price sharing formula for sharing the sale proceeds by the manufacturer with the small growers is also in force.

(c) : Government/Tea Board has already taken various steps for the improvement of the all the auction centers in India including Guwahati Tea Auction Centre by implementing various provisions of the TMCO. Tea Board is putting up E-Auction in all the auction centers including Guwahati Tea Auction Centre to ensure transparency & user-friendly accessibility.